## Auxier Road Gas Company, Inc.

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AUGUST 1, 2011

RECEIVED

409 - 2 2011

JEFF DEROUEN, EXE DIR PUBLIC SERVICE COMMISSION P O BOX 615 FRANKFORT, KY 40602 PUBLIC SERVICE COMMISSION

DEAR SIR:

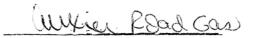
PLEASE FIND ENCLOSED THE GAS COST RECOVERY FOR SEPTEMBER 1, 2011.

IF YOU HAVE ANY QUESTIONS, PLEASE CALL US AT (606)886-2314.

SINCERELY,

KIMBERLY R. ČRISP

ACCOUNTANT



#### QUARTERLY REPORT OF GAS COST RECOVERY RATE CALCULATION

Date	Filed:
	august 1,2011
Date	Rates to be Effective:
	Rept 1, 2011
	ting Period is Calendar Quarter Ended:
	June 30,2011

### SCHEDULE I

### GAS COST RECOVERY RATE SUMMARY

Expected Gas Cost (EGC) + Refund Adjustment (RA) + Actual Adjustment (AA) + Balance Adjustment (BA) = Gas Cost Recovery Rate (GCR)  3CR to be effective for service rendered from Suptifically	Unit \$/Mcf \$/Mcf \$/Mcf \$/Mcf \$/Mcf to	9860, D (1110.1) 87.40, S 1104 PF
Total Expected Gas Cost (Schedule II)  + Sales for the 12 months ended July 30, 2011  = Expected Gas Cost (EGC)	Unit \$ Mcf \$/Mcf	Amount 630787 104455
Supplier Refund Adjustment for Reporting Period (Sch. III) + Previous Quarter Supplier Refund Adjustment + Second Previous Quarter Supplier Refund Adjustment + Third Previous Quarter Supplier Refund Adjustment = Refund Adjustment (RA)	Unit \$/Mcf \$/Mcf \$/Mcf \$/Mcf \$/Mcf	Amount
Actual Adjustment for the Reporting Period (Schedule IV)  + Previous Quarter Reported Actual Adjustment  + Second Previous Quarter Reported Actual Adjustment  + Third Previous Quarter Reported Actual Adjustment  - Actual Adjustment (AA)	Unit \$/Mcf \$/Mcf \$/Mcf \$/Mcf \$/Mcf	Amount (EY20.) (D200.) (S20.) (P80.) (P720.) (P80.) (P720.) (D810.) (P720.) (D810.) (P720.) (D810.) (P720.) (D810.)
BALANCE ADJUSTMENT CALCULATION  Balance Adjustment for the Reporting Period (Schedule V)  + Previous Quarter Reported Balance Adjustment  + Second Previous Quarter Reported Balance Adjustment  + Third Previous Quarter Reported Balance Adjustment  = Balance Adjustment (BA)	Unit \$/Mof \$/Mof \$/Mof \$/Mof	Amount

# SCHEDULE II EXPECTED GAS COST

Actual* Mcf Purchas	es for 12 months ended	June	30/2011	
(1) (2)	(3) Btu	(4)	(5)**	(6)
Supplier Dth	Conversion Factor	Mcf	Rate	(4)x(5) Cost
Cumberland for		94870	5.9035	560065
ali-kaaen		4296	3.10	13318
Chaspeoke		4562	6.54	52837
rites Explanation	·	9.283	88.4	40660
Chapeake Civide bill	Ù	5545	6.54	36264

Totals 118556 680142

	Unit	Amount
Total Expected Cost of Purchases (6)	\$	680142
+ Mcf Purchases (4)	Mcf	118526
= Average Expected Cost Per Mcf Purchased	\$/Mcf	5.7369
x Allowable Mcf purchases (must not exceed Mcf sales + .95)	Mcf	[2780]
= Total Expected Gas Cost (to Schedule IA.)	\$	630)89

<sup>\*</sup>Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

<sup>\*\*</sup>Supplier's tariff sheets or notices are attached.

### SCHEDULE IV

### ACTUAL ADJUSTMENT

or the 3 month period ended	me 30	2,2011		
Particulars	Unit	Month 1 (June)	Month 2	Month 3
Total Supply Volumes Purchased	Mcf	3763		
Total Cost of Volumes Purchased	\$	20924		•
Total Sales (may not be less than 95% of supply volumes)	Mc£	4610		
Unit Cost of Gas	\$/Mcf	4.5388	Omega eller salle benga menansanan yanca kelebuar benang	
EGC in effect for month	\$/Mcf	6.0243		
Difference	\$/Mcf	()284.1)		
[(Over-)/Under-Recovery] Actual sales during month	Mof	4610		
Monthly cost difference	\$	(848)		-

	Unit	Amount
Total cost difference (Month 1 + Month 2 + Month 3)	\$	(6848)
Sales for 12 months ended June 39,2011.	Mcf .	124601
Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	( .0656)

### SCHEDULE V

### BALANCE ADJUSTMENT

	For the 3 month period ended	• 2	
	<u>Particulars</u>	<u>Unit</u>	Amount
(1)	Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	Ş	
	Less: Dollar amount resulting from the AA of \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of  Mcf during the 12-month period the AA was in effect.	, <b>\$</b>	
	Equals: Balance Adjustment for the AA.	\$	the and the state of the the state of the st
(2)	Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
	Less: Dollar amount resulting from the RA of \$\) \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of Mcf during the 12-month period the RA was in effect.	\$	
	Equals: Balance Adjustment for the RA.	\$	
(3)	Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
	Less: Dollar amount resulting from the BA of \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of Mcf during the 12-month period the BA was in effect.	\$	
	Equals: Balance Adjustment for the BA.	\$	
Total	Balance Adjustment Amount (1) + (2) + (3)	\$	
+ Sal	les for 12 months ended	Mof	
= Bal	lance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	

Base Pate Nec Total

Mce (minimum)

6.36

5.0278

11.3878

All over Eistwice

5.0645

5.0278

10.0823